

## ROUTING AND RECORD SHEET

SUBJECT: (Optional) DCI Proposed Talking Points - TIME Executive News Conference  
18 April 1989

FROM: William M. Baker  
Director, Public Affairs

EXTENSION

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DATE

12 April 1989

STAT

TO: (Officer designation, room number, and building)

DATE

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OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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12 April 1989



JUDGE:

You will be welcoming about 25 chief executive officers of major corporations and 30 TIME, Inc. participants at the Headquarters Auditorium on 18 April at 10:05 a.m. The executives are participating in TIME's 1989 Executive News Conference, a three-day program which consists of meetings with top government officials concerning critical issues facing the Bush Administration. Other officials scheduled to address the group include White House Chief of Staff John Sununu, National Security Adviser Brent Scowcroft, Attorney General Richard Thornburgh, Federal Reserve Chairman Alan Greenspan, and Senate Majority Leader George Mitchell.

Your 10 minutes of welcoming remarks will be followed by one-hour discussions of "East-West Relations" and "North-South Relations." Assistant Secretary of State Rozanne Ridgeway is scheduled to make the first presentation during the East-West forum, followed by Fritz Ermarth, Chairman of the National Intelligence Council. TIME Washington Bureau Chief Strobe Talbott will moderate this forum. The discussion of North-South relations is scheduled to be opened by Thomas Pickering, U.S. Ambassador to the United Nations. TIME Deputy Chief of Correspondents Barrett Seaman will moderate this forum.

Your proposed welcoming remarks are attached (see opposite for cards). A separate briefing package on the Conference will be provided.

STAT

   
Bill Baker

Attachments:  
As stated

PROPOSED TALKING POINTS  
FOR  
WILLIAM H. WEBSTER  
DIRECTOR OF CENTRAL INTELLIGENCE  
BEFORE THE  
TIME EXECUTIVE NEWS CONFERENCE  
HEADQUARTERS AUDITORIUM  
APRIL 18, 1989

- I'M VERY PLEASED TO WELCOME YOU HERE TO LANGLEY. WE'RE HAPPY TO COOPERATE WITH TIME, WHICH HAS DEVELOPED THIS VERY WORTHWHILE CONFERENCE.
- I'M SURE THE GIVE-AND-TAKE SESSIONS PLANNED FOR THIS MORNING WILL COMPLEMENT MANY OF THE DEBATES AND DISCUSSIONS CURRENTLY UNDERWAY IN THE INTELLIGENCE COMMUNITY.
- MY GOOD FRIEND GENERAL VERNON WALTERS DESCRIBES A VIEW HELD BY MANY IN THIS COUNTRY ABOUT INTELLIGENCE. "AMERICANS," HE SAID, "HAVE ALWAYS HAD AN AMBIVALENT ATTITUDE TOWARD INTELLIGENCE. WHEN THEY FEEL THREATENED, THEY WANT A LOT OF IT, AND WHEN THEY DON'T, THEY TEND TO REGARD THE WHOLE THING AS IMMORAL."
- WITH SO MUCH GOING ON AROUND THE WORLD TODAY THAT AFFECTS OUR NATIONAL SECURITY, I THINK THE AMERICAN PEOPLE WANT A LOT OF INTELLIGENCE.

- ONE AREA THAT IS CURRENTLY BEING DEBATED -- AND WILL NO DOUBT BE DISCUSSED THIS MORNING -- IS THE CHANGES UNDER WAY IN THE SOVIET UNION AND EAST EUROPE.

-- YOU HAVE NO DOUBT READ ABOUT THE SOVIET ELECTIONS LATE LAST MONTH -- THE FREEST NATIONWIDE SOVIET ELECTIONS SINCE 1917.

-- VOTERS, EVERYWHERE, CAN BE UNPREDICTABLE. I WAS AMUSED WHEN I HEARD ABOUT THE PROMINENT PARTY OFFICIAL IN LENINGRAD WHO WAS DEFEATED WITHOUT OPPOSITION. WHEN I WAS A YOUNG LAWYER, THE BIGGEST FEAR THAT YOU HAD WAS THAT YOU WOULD LOSE AN UNCONTESTED DIVORCE CASE. <sup>1</sup>

- THE SOVIET UNION, IMPORTANT AS IT IS, IS CERTAINLY NOT OUR ONLY FOCUS.
- WE ARE SPENDING MORE TIME AND RESOURCES COLLECTING INFORMATION ON THIRD WORLD NATIONS -- NATIONS IN LATIN

AMERICA, ASIA, THE MIDDLE EAST, AND EVERY OTHER REGION OF THE WORLD.

- WE ARE ALSO CONCENTRATING ON INTERDISCIPLINARY PROBLEMS SUCH AS INTERNATIONAL TERRORISM, NARCOTICS TRAFFICKING, TECHNOLOGY TRANSFER, AND HOSTILE INTELLIGENCE ACTIVITIES.
- IN THE ESTIMATES WE PROVIDE TO POLICYMAKERS ON THESE AND OTHER ISSUES, THE ENTIRE INTELLIGENCE COMMUNITY IS REPRESENTED -- C.I.A., N.S.A., THE F.B.I., AND THE OTHER AGENCIES.
- OUR FINAL PRODUCT IS A RESULT OF SPIRITED EXCHANGES, AND THIS ASSURES THAT POLICYMAKERS RECEIVE OUR BEST ASSESSMENT.
- THIS MORNING YOU'LL BE DISCUSSING EAST-WEST RELATIONS AND THEN MOVE ON TO NORTH-SOUTH RELATIONS. THAT'S QUITE A BIT OF GROUND TO COVER IN ONE MORNING, BUT I THINK YOU CAN ALL LOOK FORWARD TO A STIMULATING EXCHANGE OF VIEWS.
- ONCE AGAIN, I WANT TO WELCOME YOU HERE AND HOPE YOU ENJOY THIS MORNING'S SESSION.

#### FOOTNOTES

<sup>1</sup> Judge Webster mentioned the 26 March 1989 nationwide Soviet elections -- and made the humorous comment about the fear young lawyers had of losing uncontested divorce cases -- in his 30 March remarks to the Town Hall of California in Los Angeles. The relevant passage of the speech transcript is attached.

The Soviet official Judge Webster cited in that speech who lost an uncontested race to become a delegate to the Congress of People's Deputies was Yuriy Solovyev, the Leningrad party first secretary. Solovyev, a candidate member of the Politburo, was the most prominent of the party officials defeated in bids to become delegates to the Congress. This information was provided by political analysts in the Office of Soviet Analysis (DI).





REMARKS

BY

WILLIAM H. WEBSTER

DIRECTOR OF CENTRAL INTELLIGENCE

BEFORE THE

TOWN HALL OF CALIFORNIA

LOS ANGELES, CALIFORNIA

MARCH 30, 1989

Thank you very much, Jim.\* It's a pleasure for me to be back. I would like to note that you first invited me to speak to you in 1980, just two years after I had taken office as Director of the FBI. You've now invited me back two years after I became Director of Central Intelligence. I don't know whether that's an apprentice period before I'm eligible to speak to you, but I can hardly wait to see on the next job that I hold.

Jim Miscoll and I were talking at lunch about some of the surprising events that have been taking place, particularly in the Soviet Union. I'm sure that most of you followed with interest the Soviet elections last Sunday and the astonishing surge of independent expression, most of it aimed at reform, that resulted from the elections to the new council. I think it's part of the Gorbachev experience.

I was a little amused at the experienced public figure in Leningrad who was defeated without opposition. I remember that when I was a young lawyer, the biggest fear that you had was that somehow you would lose an uncontested divorce case.

Well, there are a lot of things going on in the Soviet Union that I wish I had to time to discuss, but that's not what I'm here to talk about today, even though they're interesting and in some sense positive, at least with respect to the impact of glasnost. And we could debate endlessly about the implications of perestroika. It is producing some humor and President Reagan, particularly, took an interest in the stories that were coming out of the

\* James P. Miscoll, Executive Vice President, Bank of America Southern California, and Chairman, Town Hall of California.

REMARKS

BY

WILLIAM H. WEBSTER

DIRECTOR of CENTRAL INTELLIGENCE

BEFORE THE

TIME EXECUTIVE NEWS CONFERENCE

HEADQUARTERS AUDITORIUM

APRIL 18, 1989

I have just a few remarks to make this morning. I really came to welcome you here and to hear Roz Ridgway and some of the others whom you have gathered most wisely to talk about issues, and so my remarks will be rather unstructured and I hope you'll bear with me.

It's such a beautiful morning. I started off in the Rose Garden this morning, and it's really fun to report to someone who has had this job before. The interchange, the requests for additional information shedding light, and the interaction are stimulating to us.

We send regular briefers to the White House, and I go often to get a sense of the reaction of the President and his immediate advisors, General Scowcroft and John Sununu, and to sense whether we are doing our job and whether they are hearing our message.

We don't make policy. We try to present useful, timely, and objective intelligence to policymakers so that they can make wise decisions in the interest of our country. But we do insist that they hear it and that they not alter it, and I'll talk about that in just a moment.

I want to welcome you to what is called "The Bubble" here, not because it looks like a bubble, but because I suppose it's symbolic of what we call those places around the world that have been made as secure as we can make them for communications in our embassies -- we call them "The Bubble."

They often look like bubbles. Occasionally, in the ones I've visited, I've been required to take off my shoes. This is because there have been diplomats who have found that when they've sent their shoes to be repaired in hostile environments, there has been a transmitter placed in the heel or somewhere else. So shoes are left outside "The Bubble."

There is also an awareness in our embassies that we do have things that cannot be trusted to a conventional environment. I think it makes us all a little more conscious of the importance of intelligence and counterintelligence, the hostile target working against us.

Well, this is an interesting time to be in this profession and all of the related professions, including the diplomatic profession, from whom you're going to hear today. Things are happening in the world that many would not have anticipated, and this is requiring all our best efforts. These events require all our capabilities -- our human intelligence, our signals intelligence, and our imagery intelligence -- to make sense out of what is happening and, where we can, to anticipate, both on a near term and on a long term basis, what is apt to come from those areas in which ordinary intelligence has heretofore been denied us, except by the most active clandestine efforts on our part.

The elections last month in the Soviet Union are good example of that. These were the freest elections in the Soviet Union since 1917, and citizens really had a chance to express their happiness or discontent. I think of the prominent political figure in Leningrad who was defeated without opposition. When I was a young lawyer, we used to say that the one thing we feared the most was losing an uncontested divorce suit. In the Soviet Union, people are expressing the fact that perestroika has not yet become real to them. They are not seeing the benefits of economic reform in terms of the food on their table and other quality of life improvements, whereas they are grasping quickly the opportunities of glasnost to express themselves.

And we are seeing that all over the Soviet republics -- the Baltic, the Armenian and Azerbaijani states, and more recently indications of similar activity in Georgia and in the Ukraine.

It is an exciting time for those who have followed Soviet events to try to understand what all this means. I agree with Henry Kissinger, who contends that in many cases Gorbachev does not really know what he plans to do next. He is stirring the stew, creating opportunities for new solutions, without what we would consider to be a long-term game plan. And so it makes it more difficult for intelligence experts to anticipate -- and we get a lot of pressure from the White House and other places to anticipate -- what's he going to do next.

We're not bad at forecasting. We may know he's likely to announce some unilateral troop withdrawals or some unacceptable quid pro quos, such as giving up Cam Ranh Bay and Subic Bay -- things that have kept him in the political limelight, given the aura of detente and reasonableness.

At the same time, we've had great difficulty in predicting with specificity what he's going to do. And I think one of the reasons is he doesn't know what he's going to do very far ahead of what he does. But it's very effective.

We try in intelligence to look not just at political issues, but at economic capabilities as well. Political issues, though, are important because there is so much focus on this man and perestroika and reform in the way they're describing.

And with all the arms talks, a considerable amount of our resources are dedicated to arms control and that companion question, the ability to monitor or verify arms agreements, which is crucial in terms of congressional ratification of treaties and public acceptance. This puts the Intelligence Community very much on the spot as we try as objectively as we can to tell the Congress the level of confidence that we have in our ability to monitor agreements as they are being negotiated. We worked our way through the INF Treaty. The START negotiations present enormously magnified problems for us.

You may think that we're spending all of our time on the Soviet Union. That's not true. Historically, we've spent between 85 and 90 percent of our resources in this area, and we may be working our way back up to that, thanks to Gorbachev.

But more recently, the activities in other parts of the world -- and you'll hear about some of that this morning -- have commanded a good deal of our attention. We call those Third World or regional developments and occasionally regional conflicts. We see them -- the events in Africa, in Latin America, in the Far East, especially in Cambodia. And we're watching economic developments as well.

Bruce mentioned my concern about biological and chemical warfare and the proliferation of that capability along with missiles in the Middle East, and that is a major concern. And I surfaced it not to suggest a policy, but to develop an awareness of what was otherwise being legitimized by silence while the Iraqis and Iranians were killing each other with chemical weapons. Every other nation in the Middle East was trying to develop chemical weapons for

themselves, because they saw a good, cheap deal and they wanted to take advantage of it.

Added to the regional conflicts, regional developments, and of course the main Soviet problem, are the transnational issues of counternarcotics, counterterrorism, and counterintelligence. These are taking up a good deal of our time. We've reorganized the Agency and the Intelligence Community efforts to be able to produce a better and more timely result for our government, and I think that we are staying ahead of this curve, particularly the Bill Bennett curve. I want to be sure the Intelligence Community is ready, willing, and able to serve, because I don't want to be at the other end of his whiplash when he mounts his bully pulpit to say what's wrong with what has heretofore been a not too well coordinated drug effort around the world. We're taking our place in that. We know where we can help, and the new Counternarcotics Center is the Intelligence Community's contribution to the effort.

Well, these are some of the things that are keeping our attention. We are not just here at Langley. The Intelligence Community is much broader. The National Security Agency, NSA, has more employees than we do and is doing magnificent work in cryptology and signals intelligence at Fort Meade and other places.

We have the Defense Intelligence Agency. The Department of State, INR, has its own very helpful and useful intelligence and analytical capabilities. And each of the military services is working to have a better understanding, primarily in defensive and offensive warfare -- we call some of that indications and warnings. I might take just a minute to mention what I mean



by that, because it's vitally important and it's geared to some of the things that Gorbachev is doing now.

When Gorbachev says he's pulling his tanks back, when he's removing his bridge-crossing equipment, when he's taking 500,000 troops back into Russia, he is telling us that the warning period is going to expand. We are in a much better position to deal with force structure, with threat, with all the problems that go with the tension of not knowing when a major assault from the enemy could occur. So we're busy developing our ability to detect changes, adverse changes, little things that might signal to our defense forces that the Soviets are getting ready to do something hostile in our direction. And the military services work very closely with us.

We call all this the Intelligence Community. I think the Intelligence Community is working better together than it has for a long, long time. The leaders of the Intelligence Community meet on a regular basis, as do the ordinary Intelligence Community Staff sections, not only to devise among ourselves the manner in which our overall budget will be applied for the most benefit to the country, but also to shake out the little problems, turf problems, other kinds of problems to avoid unnecessary redundancy and become more effective.

We are talking together, and I think we are talking together very well. As a part of that, we have the National Intelligence Council, made up of National Intelligence Officers who are specialists in major fields and who produce the National Intelligence Estimates, which are the broader-gauge look at the major intelligence problems around the world.

And as a community, we pass judgment on these estimates, reflecting the differences of view and nuances that each intelligence agency wants to record in the estimates, putting them where the reader can find them, not burying them, and then submitting them to the policymakers, who are asked to read it, to understand it, to take our material -- use it, throw it away, do anything but change it. In that way, I think the old expression of "cooking the books" can go out the window. I haven't heard that expression since I've been here, and I don't intend to hear it.

We want to be as useful as we can in the way I have described. We give the Congress 1,000 briefings a year, which may come as some surprise to you. It certainly did to me. And I'm not sure that may not be too many. But it is important that we be responsive to the Congress and at the same time protect the responsibility that we have to guard our sources and our methods. It's just a function of numbers: when too many people know about things that are required to be kept secret, the risk of such information finding its way into the hands of those who have a right to print it expands.

And so we are working to make sure that the oversight committees of the Congress and the Intelligence Community closely coordinate secrets, always telling the truth, but not telling things that are at greatest risk. I won't go into how I do that with the leadership, but so far I think it's working.

You are going to hear about East-West relations and North-South relations from policymakers and intelligence experts, and I hope to be here for part of it because I'm very much interested in what they're going to say.

And on behalf of the Intelligence Community, I want to thank all of you who have taken time from your busy agendas and your companies to try to understand a little more about what is happening in the world and what our major problems are, so that you, too, can lend some support to us.

Many of you are already providing the Intelligence Community with your assessments of meetings of leaders and businessmen in other parts of the world -- assessments that would not be available to the ordinary spy, but are available because of glasnost and other access and business relationships. And these help us to understand better what is going on in the world, so that we can make our intelligence analysis more useful to the Administration.

So I want to close by thanking you for what you do for us. Welcome to "The Bubble."